

1998 Resident Personal Income Tax

Arizona Form 140A

Who Can Use Form 140A?

You can use Form 140A to file for 1998 if all of the following apply to you.

- You (and your spouse if married filing a joint return) are full year residents of Arizona.
- If you are single, head of household, or married filing a separate return, your Arizona taxable income is less than \$20,000.

OR

If you are married filing a joint return, your Arizona taxable income is less than \$40,000.

- You are not making any adjustments to income.
- You do not itemize deductions.
- The only tax credits you can claim are:
 - the family income tax credit
 - the property tax credit.
- You had income from only:
 - wages;
 - salaries;
 - tips;
 - tax refunds;
 - taxable interest of not more than \$400;
 - taxable dividends of not more than \$400.

Do You Have to File?

Arizona Filing Requirements These rules apply to all Arizona taxpayers.		
You must file if you are:	and your gross income is at least:	or your Arizona adjusted gross income is at least:
• Single	\$15,000	\$5,500
• Married filing jointly	\$15,000	\$11,000
• Married filing separately	\$15,000	\$5,500
• Unmarried head of household	\$15,000	\$5,500
If you are an Arizona resident, you must report income from all sources. This includes out-of-state income.		
To see if you have to file, figure your gross income the same as you would figure your gross income for federal income tax purposes. Then, you should exclude income Arizona law does not tax.		
Income Arizona law does not tax includes:		
<ul style="list-style-type: none">• Interest from U.S. Government obligations• Social security retirement benefits received under Title II of the Social Security Act• Benefits received under the Railroad Retirement Act		
You can find your Arizona adjusted gross income on line 16 of Arizona Form 140A.		

return to get a refund of any Arizona income tax withheld.

Do You Have to File if You Are an American Indian?

You must file if you meet the Arizona filing requirements unless **all** the following apply to you.

- You are an enrolled member of an Indian tribe.
- You live on the reservation established for that tribe.
- You earned all of your income on that reservation.

To find out more, see Arizona Department of Revenue Income Tax Ruling ITR 96-4.

Do You Have to File if You Are a Non-Indian or Non-Enrolled Indian Married to an American Indian?

You must file if you meet the Arizona filing requirements. For details on how to figure what income to report, see Arizona Department of Revenue Income Tax Ruling ITR 96-4.

Do You Have to File if You Are in the Military?

You must file if you meet the Arizona filing requirements.

If you are an Arizona resident, you must report all of your income, no matter where stationed. You must include your military pay. If you were an Arizona resident when you entered the service, you remain an Arizona resident until you establish a new domicile.

If you are not an Arizona resident, but stationed in Arizona, the following applies to you.

- You are not subject to Arizona income tax on your military pay.
- You must report any other income you earn in Arizona. Use Form 140NR, *Nonresident Personal Income Tax Return*, to report this income.

To find out more, see Arizona Department of Revenue brochure, Pub 704, *Taxpayers in the Military*.

Residency Status

If you are not sure if you are an Arizona resident for state income tax purposes, you should get Arizona Department of Revenue Income Tax Procedure ITP 92-1.

Residents

You are a resident of Arizona if your domicile is in Arizona. Domicile is the place where you have your permanent home. It is where you intend to return if you are living or working temporarily in another state or country. If you leave Arizona for a temporary period, you are still an Arizona resident while gone. A resident is subject to tax on all income no matter where the resident earns the income.

NOTE: Even if you do not have to file, you must still file a

Part-Year Residents

If you are a part-year resident, you must file Form 140PY, *Part-Year Resident Personal Income Tax Return*.

You are a part-year resident if you did either of the following during 1998.

- You moved into Arizona with the intent of becoming a resident.
- You moved out of Arizona with the intent of giving up your Arizona residency.

Nonresidents

If you are a nonresident, you must file Form 140NR, *Nonresident Personal Income Tax Return*.

What if a Taxpayer Died?

If a taxpayer died before filing a return for 1998, the taxpayer's spouse or personal representative may have to file and sign a return for that taxpayer. If the deceased taxpayer did not have to file a return but had tax withheld, a return must be filed to get a refund.

The person who files the return should use the form the taxpayer would have used. **If the department mailed the taxpayer a booklet, do not use the label.** The person who files the return should print the word "deceased" after the decedent's name in the address section of the form. Also enter the date of death after the decedent's name.

If your spouse died in 1998 and you did not remarry in 1998, or if your spouse died in 1999 before filing a return for 1998, you may file a joint return. If your spouse died in 1998, the joint return should show your spouse's 1998 income before death, and your income for all of 1998. If your spouse died in 1999, before filing the 1998 return, the joint return should show all of your income and all of your spouse's income for 1998. Print "Filing as surviving spouse" in the area where you sign the return. If someone else is the personal representative, he or she must also sign the return.

Are Any Other Returns Required?

You may also have to file fiduciary income tax or estate tax returns. For details, call the department at (602) 542-4022.

Claiming a Refund For a Deceased Taxpayer

If you are claiming a refund, you **must** complete Form 131, *Claim for Refund on Behalf of Deceased Taxpayer*. Attach this form to the **front** of the return.

What Are The Filing Dates And Penalties?

When Should You File?

Your 1998 tax return is due no later than midnight, April 15, 1999. File your return as soon as you can after January 1, but no later than April 15, 1999.

What if You Cannot File on Time?

You may request an extension if you know you will not be able to file on time.

NOTE: An extension does not extend the time to pay your income tax. For details, see the instructions for Arizona Form 204.

To get a filing extension, you can either:

1. Apply for a state extension (Form 204). To apply for a state extension, file Arizona Form 204 by April 15. See Form 204 for details.
2. You may use your federal extension (federal Form 4868 or 2688). File your Arizona return by the same due date.

You must attach a copy of the federal extension to the front of your return. If you use federal Form 2688, the IRS must have approved the extension. If you must make a payment, use Arizona Form 204 instead.

Attach a copy of your extension to the front of your return when you file.

When Should You File if You Are a Nonresident Alien?

You must file your Arizona tax return by April 15, even though your federal income tax return is due on June 15. If you want to file your Arizona return when you file your federal return, you may ask for an extension. See Form 204 for extension filing details.

What if You File or Pay Late?

If you file or pay late, the department can charge you interest and penalties on the amount you owe. If the U.S. Post Office postmarks your 1998 calendar return by April 15, 1999, your return will not be late.

Late Filing Penalty

If you file late, the department can charge you a late filing penalty. This penalty is 5 percent of the tax found to be remaining due for each month or fraction of a month the return is late. This penalty cannot exceed 25 percent of the tax found to be remaining due.

Late Payment Penalty

If you pay your tax late, the department can charge you a late payment penalty. This penalty is 10 percent of the tax not paid on time.

Extension Underpayment Penalty

If you file your return under an extension, you must pay 90 percent of the tax shown on your return by the return's original due date. If you do not pay this amount, the department can charge you a penalty. The department can also charge you this penalty if you do not attach the extension to your return when you file. This penalty is one-half of one percent (.005) of the tax not paid for each 30 day period or fraction of a 30 day period. The department

charges this penalty from the original due date of the return until the date you pay the tax. This penalty cannot exceed 25 percent of the unpaid tax.

NOTE: *If you are subject to two or more of the above penalties, the total cannot exceed 25 percent.*

Interest

The department charges interest on any tax not paid by the due date. The department will charge you interest even if you have an extension. If you have an extension, the department will charge you interest from the original due date until the date you pay the tax. The Arizona rate of interest is the same as the federal rate.

When Should You Amend a Return?

If you need to make changes to your return once you have filed, you should file Form 140X, *Individual Amended Return*. **Do not** file a new return for the year you are correcting. Generally, you have four years to amend a return to claim a refund.

If the Internal Revenue Service makes a change to your federal taxable income for any year, you must file a Form 140X for that year. In this case, you must amend your Arizona return within 90 days of the change. Attach a complete copy of the federal notice to your Form 140X.

If you amend your federal return for any year, you must also file a Form 140X for that year. You must file the Form 140X within 90 days of amending your federal return.

Line-by-Line Instructions

Tips for Preparing Your Return:

- Complete your return using black ink.
- You must round dollar amounts to the nearest whole dollar. If 50 cents or more, round up to the next dollar; if less than 50 cents, round down.
- You must complete your federal return before you can start your Arizona return.
- Make sure you include your home telephone number. If your daytime number is not the same as your home number, make sure you include a daytime telephone number.

Entering Your Name, Address, and Social Security Number (SSN)

Lines 1, 2, and 3 -

If your booklet has a peel-off label, use that label if all the information is correct. **If any of the information on the label is incorrect, do not use the label.** Attach the label after you finish your return. If you do not have a peel-off label, print or type your name, address, and SSN in the space provided. If you are a nonresident of the United States or a resident alien who does not have an SSN use the identification number (ITIN) the IRS issued to you.

If you are filing a joint return, enter your SSNs in the same

order as your first names. *If your name appears first on the return, make sure your SSN is the first number listed.* If you and your spouse have different last names, write the word "and" between your last names. Put your last names in the same order as your first names and SSNs. In this case, the department will issue any refund under the last name listed first on the return.

For a deceased taxpayer, see page 2 of these instructions.

Use your current home address. The department will send your refund or correspond with you at that address.

NOTE: *Make sure your SSN is correct. If you are filing a joint return, also make sure you list your SSNs in the same order every year.*

Make sure that every return, statement, or document that you file with the department has your SSN. Make sure that all SSNs are clear and correct. You may be subject to a penalty if you fail to include your SSN. It may take longer to process your return if SSNs are missing, incorrect, or unclear.

Identification Numbers for Paid Preparers

If you pay someone else to prepare your return, that person must also include an identification number where requested.

A paid preparer may use either of the following.

- his or her SSN
- the federal employer identification number for the business

A paid preparer who fails to include the proper numbers may also be subject to a penalty.

Determining Your Filing Status

The filing status that you use on your Arizona return may be different from that used on your federal return.

Use this section to determine your filing status. Check the correct box (4 through 7) on the front of Form 140A.

Line 4 Box - Married Filing a Joint Return

You may use this filing status if married as of December 31, 1998. It does not matter whether or not you were living with your spouse. You may elect to file a joint return, even if you and your spouse filed separate federal returns.

You may use this filing status if your spouse died during 1998 and you did not remarry in 1998. See page 2 of these instructions for details.

The Arizona Form 140A is for full year residents only. You may not file a joint Arizona income tax return on Form 140A if any of the following apply.

1. Your spouse is a nonresident alien (citizen of and living in another country).
2. Your spouse is a resident of another state.
3. Your spouse is a part-year Arizona resident.

If filing a joint return with your nonresident spouse, you may file a joint return using Form 140NR. See Form 140NR instructions.

If filing a joint return with your part-year resident spouse, you may file a joint return using Form 140PY. See Form 140PY instructions.

For details on filing a joint return with your part-year resident or nonresident spouse, see Arizona Department of Revenue Income Tax Ruling ITR 95-2.

Line 5 Box - Head of Household

NOTE: *Changes made to Arizona law during 1998 may affect your ability to file as head of household.*

You may now file as head of household on your Arizona return, only if one of the following applies.

- You qualify to file as head of household on your federal return.
- You qualify to file as a qualifying widow or widower on your federal return.

Line 6 Box - Married Filing Separately

You may use this filing status if married as of December 31, 1998, and you elect to file a separate Arizona return. You may elect to file a separate return, even if you and your spouse filed a joint federal return.

If you are filing a separate return, check the line 6 box and enter your spouse's name in the space provided. Also enter your spouse's SSN in the space provided on line 2.

Arizona is a community property state. If you file a separate return, you must figure how much income to report using community property laws. Under these laws, a separate return must reflect one-half of the community income from all sources plus any separate income.

When you file separate returns, you must account for community deductions and credits on the same basis as community income. Both you and your spouse must either itemize or not itemize. If one of you itemizes, you both must itemize. If one of you takes a standard deduction, you both must take a standard deduction. One of you may not claim a standard deduction while the other itemizes.

If you and your spouse support a dependent child from community income, either you or your spouse may claim the dependent. Both of you cannot claim the same dependent on both returns.

For details on how to file a separate Arizona income tax return, see Arizona Department of Revenue Income Tax Rulings ITR 93-18 and ITR 93-19.

NOTE: *If you can treat community income as separate income on your federal return, you may also treat that community income as separate on your Arizona return. See Arizona Department of Revenue Ruling ITR 93-22.*

If you are filing a separate return and your spouse is not a resident of Arizona, other special rules may apply. For more details, you should see Arizona Department of Revenue Income Tax Ruling, ITR 93-20.

Line 7 Box - Single

Use this filing status if you were single on December 31, 1998. You are single if any of the following apply to you.

- You have never been married.
- You are legally separated under a decree of divorce or of separate maintenance.
- You were widowed before January 1, 1998, and you did not remarry in 1998, and you do not qualify to file as a qualifying widow or widower with dependent children on your federal return.

Exemptions

Write the number of exemptions you are claiming in boxes 8, 9, and 10. Do not put a checkmark. You may lose the exemption if you put a checkmark in these boxes. You may lose the dependent exemption if you do not complete Part A on page 2.

Line 8 Box - Age 65 and Over

Write "1" in box 8 if you or your spouse were 65 or older in 1998. Write "2" in box 8 if both you and your spouse were 65 or older in 1998.

Line 9 Box - Blind

Write "1" in box 9 if you or your spouse are totally or legally blind. Write "2" in box 9 if both you and your spouse are totally or legally blind. To qualify as legally blind, you must attach a physician's letter stating one of the following.

1. Your vision is 20/200 or poorer with corrective lenses.
2. Your field of vision is 20 degrees or less.

Line 10 Box - Dependents

You must complete Part A on page 2 of your return before you can total your dependent exemptions.

NOTE: *Changes made to Arizona law during 1998 may affect who you may claim as a dependent.*

You may now claim only the following as a dependent.

- A person that qualifies as your dependent on your federal return.
- A person who is age 65 or over (related to you or not) that does not qualify as your dependent on your federal return, but one of the following applies.
 1. In 1998, you paid more than one-fourth of the cost of keeping this person in an Arizona nursing or licensed supervisory care home. Your cost must be more than \$800.
 2. In 1998, you paid more than \$800 for either Arizona home health care or other medical costs for the person.

Completing Line(s) A1

Enter the following on line(s) A1.

1. The dependent's name.
2. The dependent's social security number.
3. The dependent's relationship to you.
4. The number of months the dependent lived in your home during 1998.

You may lose the exemption if you do not furnish this information.

Line A2 - Total Dependents

Enter the total number of persons listed on line(s) A1. Enter the same number onto the front of the return in box 10.

Line A3 - Persons You Cannot Take as Dependents on Your Federal Return

Enter the names of any dependents age 65 or over listed on line(s) A1 that you cannot take as a dependent on your federal return.

Different Last Names

If you filed an Arizona tax return within the past four years with a different last name, enter your prior last name(s) in Part B.

Totaling Your Income

Line 11 - Federal Adjusted Gross Income

You must complete your federal return before you enter an amount on line 11. You must complete a 1998 federal return to figure your federal adjusted gross income. You must complete a federal return even if you do not have to file a federal return.

Figuring Your Tax

Line 17 - Standard Deduction

If your filing status is:	Your standard deduction is:
• Single	\$ 3,600
• Married filing separately	\$ 3,600
• Married filing jointly	\$ 7,200
• Head of household	\$ 7,200

Line 18 - Personal Exemption

The amount you may claim as a personal exemption depends on your filing status. If married, the amount you may claim as a personal exemption also depends on whether you or your spouse claim dependents. You may use the chart below to figure your personal exemption. If married, you may also use Form 202 to figure your personal exemption.

Personal Exemption Chart	
If you checked filing status:	Enter:
• Single (Box 7)	\$2,100
• Married filing joint return (Box 4) and claiming no dependents (Box 10)	\$4,200
• Married filing joint return (Box 4) and claiming at least one dependent (Box 10)	\$6,300
• Head of household and you are not married (Box 5)	\$4,200
• Head of household and you are a married person who qualifies to file as head of household (Box 5)	\$3,150 Or Complete Form 202 <i>Personal Exemption Allocation Election.</i>
• Married filing separately (Box 6) with neither spouse claiming any dependents (Box 10)	\$2,100 Or Complete Form 202 <i>Personal Exemption Allocation Election.</i>
• Married filing separately (Box 6) with one spouse claiming at least one dependent (Box 10)	\$3,150 Or Complete Form 202 <i>Personal Exemption Allocation Election.</i>

A married couple who does not claim any dependents may take one personal exemption of \$4,200. If the husband and wife file separate returns, either spouse may take the entire \$4,200 exemption, or the spouses may divide the \$4,200 between them. You and your spouse must complete Form 202 if either you or your spouse claim a personal exemption of more than \$2,100. If you and your spouse do not complete Form 202 you may take an exemption of only \$2,100 (one-half of the total \$4,200).

A married couple who claims at least one dependent may take one personal exemption of \$6,300. If the husband and wife file separate returns, either spouse may take the entire \$6,300 exemption, or the spouses may divide the \$6,300 between them. You and your spouse must complete Form 202 if either you or your spouse claim a personal exemption of more than \$3,150. If you and your spouse do not complete Form 202 you may take an exemption of only \$3,150 (one-half of the total \$6,300).

If you are a married person who qualifies to file as a head of household, you may take the entire \$6,300 personal exemption or you may divide the exemption with your spouse. You and your spouse must complete Form 202 if either you or your spouse claim a personal exemption of more than \$3,150. If you and your spouse do not complete Form 202 you may take an exemption of only \$3,150 (one-half of the total \$6,300).

The spouse who claims more than one-half of the total personal exemption must attach the original Form 202 to his or her return. The spouse who claims less than one-half of the total personal exemption must attach a copy of the completed Form 202 to his or her return.

Line 20 - Taxable Income

Subtract line 19 from line 16 and enter the result. Use this amount to find your tax using the Optional Tax Rate Tables.

STOP! You must file a Form 140 if:	
If your filing status is:	And your taxable income is:
• Single	\$ 20,000 or more
• Married filing separately	\$ 20,000 or more
• Married filing jointly	\$ 40,000 or more
• Head of household	\$ 20,000 or more

Line 21 - Tax Amount

Enter the tax from the Optional Tax Rate Tables.

Line 22 - Family Income Tax Credit

You may take this credit if you meet the income threshold for your filing status.

- Complete steps 1, 2, and 3 to see if you qualify for this credit.
- If you qualify to take this credit, complete the worksheet in step 4.

Step 1

Enter the amount from Form 140A, page 1, line 11.	
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Step 2

Look at the following tables. Find your filing status.

- Use Table I if married filing a joint return.
- Use Table II if head of household.
- Use Table III if single or married filing a separate return.

Step 3

- Look at the column (a) labeled "number of dependents" and find the number of dependents you are claiming.
- Find the income threshold amount in column (b) next to the number of dependents you are claiming.
- Compare that income threshold amount in column (b) with the income listed in Step 1.

If the amount entered in step 1 is equal to or less than the income threshold for the number of dependents you are claiming, you qualify to take this credit. To figure your credit, complete step 4.

Table I Married Filing a Joint Return	
Column (a)	Column (b)
Number of dependents	Income Threshold
• 0 or 1	\$20,000
• 2	\$23,600
• 3	\$27,300
• 4 or more	\$31,000

Table II Head of Household	
Column (a)	Column (b)
Number of dependents	Income Threshold
• 0 or 1	\$20,000
• 2	\$20,135
• 3	\$23,800
• 4	\$25,200
• 5 or more	\$26,575

Table III Single Or Married Filing Separately	
Column (a)	Column (b)
Number of dependents	Income Threshold
• 0 or more	\$10,000

Step 4

If you qualify to take the credit, complete this worksheet following the tables.

Worksheet	
1. Enter the number of dependents you entered in box 10, page 1, Form 140A.	
2. Number of personal exemptions. If you checked filing status 4, enter the number 2. If you checked filing status 5, 6, or 7, enter the number 1.	
3. Add lines 1 and 2. Enter the result.	
4. Multiply the amount on line 3 by \$40. Enter the result.	
5. If you checked filing status 4 or 5, enter \$240 here. If you checked filing status 6 or 7, enter \$120 here.	
6. Family income tax credit. Enter the lesser of line 4 or line 5. Also enter this onto Form 140A, page 1, line 22.	
NOTE: <i>The family income tax credit will only reduce your tax and cannot be refunded.</i>	

Line 23 - Balance of Tax

Subtract line 22 from line 21. If the result is less than zero, enter zero.

Totaling Payments and Credits

Line 24 - Arizona Income Tax Withheld

Enter the Arizona income tax withheld shown on the Form(s) W-2 from your employer. Attach the Form(s) W-2 to the front of your return.

NOTE: *You should receive your Form(s) W-2 no later than January 31. If you did not receive a Form W-2 or you think your Form W-2 is wrong, contact your employer.*

Line 25 - Amount Paid With 1998 Extension Request (Form 204)

Use this line to report the payment you sent with your extension request.

Line 26 - Property Tax Credit

You may take the property tax credit if you meet **all** the following.

1. You were either 65 or older in 1998 or receiving SSI Title 16 income from the Social Security Administration.

NOTE: *This is not the normal Social Security disability.*

2. You were an Arizona resident for the full year in 1998.

3. You paid property tax on your Arizona home in 1998. You paid rent on taxable property for the entire year or you did a combination of both.

4. If you lived alone, your income from all sources was under \$3,751. If you lived with others, the household income was under \$5,501.

Complete Form 140PTC to figure your credit. Enter the amount from Form 140PTC, line 15.

Attach Form 140PTC to your return.

Tax Tip: *To claim a property tax credit, you must file your claim or extension request by April 15, 1999.*

Figuring Your Overpayment or Tax Due

Line 28 - Tax Due

If line 23 is more than line 27, you have tax due. Subtract line 27 from line 23. Skip line 29.

Line 29 - Overpayment

If line 27 is more than line 23, subtract line 23 from line 27.

Making Voluntary Gifts

You can make voluntary gifts to each of the funds shown below. A gift will reduce your refund or increase the amount due with your return.

If you make a gift, you cannot change the amount of that gift later on an amended return.

Line 30 - Aid to Education Fund

Gifts go to the Arizona Assistance for Education Fund. The Arizona Board of Education will distribute money in this fund to school districts.

CAUTION: *If you make a contribution to this fund, you must contribute your entire refund. You may not give more than your entire refund.*

Line 31 - Arizona Wildlife Fund

You may give some or all of your refund to the Arizona Wildlife Fund. You may also give more than your entire refund.

Gifts go to the Arizona Game, Nongame, Fish and Endangered Species Fund. This fund helps protect and conserve over 1,000 nongame species.

Line 32 - Child Abuse Prevention Fund

You may give some or all of your refund to the Arizona Child Abuse Prevention Fund. You may also give more than your entire refund.

Gifts go to the Arizona Child Abuse Prevention Fund. This fund provides financial aid to community agencies for child abuse prevention programs.

Line 33 - Neighbors Helping Neighbors Fund

You may give some or all of your refund to the neighbors helping neighbors fund. You may also give more than your entire refund.

Gifts go to the Neighbors Helping Neighbors Fund. This fund provides eligible recipients with emergency aid in paying energy utility bills and conserving energy.

Line 34 - Special Olympics Fund

You may give some or all of your refund to the Special Olympics Fund. You may also give more than your entire refund.

Gifts go to the Special Olympics Fund. This fund helps provide programs of the Arizona Special Olympics.

Line 35 – Domestic Violence Shelter Fund

You may give some or all of your refund to the domestic violence shelter fund. You may also give more than your entire refund.

Gifts go to the Domestic Violence Shelter Fund. This fund provides financial aid to shelters for victims of domestic violence.

Line 36 - Political Gifts

Gifts go to one of the following political parties:

- Democratic
- Libertarian
- Reform
- Republican

You may give some or all of your refund to a political party. You may also give more than your entire refund.

Line 37 - Political Party

Check the box for the political party to which you wish to give. You may select only one party. If you do not select a political party, the department will return the amount on line 36.

Figuring Your Refund or Tax Due

Line 39 - Refund

Subtract line 38 from line 29. Enter your refund on line 39 and skip line 40.

If you owe money to any state agency and certain federal agencies, your refund may go to pay some of the debt. If so, the department will let you know by letter.

Tax Tip: If you change your address before you get your refund, let the department know. Write to: Refund Desk, Arizona Department of Revenue, 1600 W Monroe, Phoenix AZ 85007. Include your social security number in your letter.

Line 40 - Amount Owed

Add lines 28 and 38. Enter the amount you owe on line 40.

Make your check payable to Arizona Department of Revenue. Write your SSN on the front of your check or money order. Attach your check or money order to the front of your return where shown.

The department cannot accept checks or money orders in foreign currency. You must make payment in U.S. dollars.

Sign Your Return

You must sign your return. If married filing a joint return, both you and your spouse must sign even if only one had income. If the return does not have the proper signatures, the department cannot send a refund check.

Instructions Before Mailing

- Be sure you enter your home telephone number in the space provided on the front of your return. If your daytime telephone number is not the same as your home number, also enter a daytime number.
- Check to make sure that your math is correct. A math error can cause delays in processing your return.
- Make sure your **NAME** is on the return. If you received your return in the mail, use the peel-off label. **If the label is not correct, do not use it.**
- If claiming **dependent** exemptions, write the number of dependents claimed on the **front** of the return. On page 2 of the return, also write each dependent's name, relationship, social security number, and the number of months that he or she lived in your home.
- Check the **boxes** to make sure you filled in all required boxes.
- Sign your return and have your spouse sign if filing jointly.
- Attach **all** required documents.
 1. Attach *Form(s) W-2* to the **front** of the return.
 2. Write your SSN on the front of your check and attach your **check** to the **front** of the return.

The Department of Revenue may charge you \$25 for a check returned unpaid by your financial institution.

3. If you requested a filing extension, attach a copy of the federal or state extension requests to the front of the return.
4. If you are claiming a property tax credit, attach a completed Form 140PTC and all required documents.

Filing Your Return

Before you mail your return, make a copy of your return. Also make a copy of any schedules that you are sending in with your return. Keep the copies for your records. Be sure that you file the original and not a copy.

To mail your return, use the envelope that came in your booklet. If it is missing, send the return to: Arizona Department of Revenue, PO Box 29002, Phoenix AZ 85038-9002.

Make sure you put enough postage on the envelope.

The U.S. Post Office must postmark your return or extension request by midnight April 15. A postage meter postmark will not qualify as a timely postmark. *Only a postmark from the U.S. Post Office will qualify.*

How Long To Keep Your Return

Keep your records as long as they are important for any Arizona tax law. Keep all records that support your income and deductions for a tax year until the period of limitations

expires for the return for that tax year. A period of limitations is the limited time after which no legal action can be brought. Usually, this is four years from the date the return was due or filed.

In some cases, the limitation period is longer than four years. The period is six years from when you file a return if you under report the income shown on that return by more than 25 percent. The department can bring an action at any time if a return is false or fraudulent, or you do not file a return.

Keep records that establish the basis of property for a period longer than four years. Also keep net operating loss records back to the date you incurred the loss. To find out more about what records you should keep, get federal Publication 552.

When to Expect Your Refund

Expect your refund in the mail within 8 weeks of the date you filed. If you have not received your refund by that time, contact one of the help numbers listed on the quick and easy access to tax help and forms page.

HOW MUCH INCOME CAN YOU HAVE AND PAY NO TAXES?

You still have to file a return, but you pay no taxes if your income is less than the levels shown in the chart below. These thresholds were raised as a result of the tax cuts in 1998. (Laws 1998, 4th Special Session, Ch. 3)

NUMBER OF DEPENDENTS	FILING STATUS			
	SINGLE	MARRIED FILING SEPARATE	UNMARRIED HEAD OF HOUSEHOLD	MARRIED FILING JOINT
0	\$ 7,100	\$ 7,100	N/A	\$ 14,200
1	(A) 10,000	10,000	16,500	20,000
2	10,300	11,350	20,135	23,600
3	12,600	13,650	23,800	27,300
4	14,900	15,950	25,200	(C) 31,000
5	17,200	18,250	(B) 26,575	31,000

EXAMPLES

	(A) single, \$10,000 income, one dependent	(B) unmarried head of household, \$26,575 income, five dependents	(C) married filing joint, \$31,000 income, four dependents
Income	\$ 10,000	\$ 26,575	\$ 31,000
less: Dependent exemption	-2,300	-11,500	-9,200
Standard deduction	-3,600	-7,200	-7,200
Personal exemption	-2,100	-4,200	-6,300
Net taxable income	\$ 2,000	\$ 3,675	\$ 8,300
Tax (optional tax table)	\$ 58	\$ 106	\$ 240
less: Family tax credit	-80	-240	-240
Tax owed	\$ 0	\$ 0	\$ 0